



KIDS IN KATHMANDU NEPAL

"a better life through education"

Annual Report and Accounts 2019



Kids in Kathmandu Nepal supports orphaned and underprivileged children and young people in Kathmandu by providing facilities and activities that assist in advancing their education to improve their life chances

KIDS IN KATHMANDU NEPAL LTD
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
01 JANUARY 2019 TO 31 DECEMBER 2019

Company Registration Number: 07517465

Charity Registration Number: 1142150

Kids in Kathmandu Nepal Ltd

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Cover photograph shows nursery children at Saraswati School eating their tiffin (KIKN commenced funding the daily breakfast club in January 2019)

KIDS IN KATHMANDU NEPAL LTD
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

Trustees/Directors:

- Lai See Chew Founder/Chief Officer
- John Crowe
- Janet Davies Chair
- Marjorie Jackson, OBE
- Kate Pottinger
- Stephen Smith

Company Registration Number

07517465

Charity Registration Number

1142150

Registered Office

58 Durban Road, Beckenham, Kent, BR3 4EZ

Bankers

HSBC Bank, 141 High Street, Beckenham, Kent, BR3 1BX

Redwood Bank Ltd, The Nexus Building, Broadway, Letchworth Garden City, SG6 3TA

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

TRUSTEES' REPORT

The Trustees, who are also Directors of the charitable company for the purpose of the Companies Act 2006, submit their annual report and the financial accounts for Kids in Kathmandu Nepal Ltd (KIKN) for the year ended 31 December 2019.

The Trustees confirm that the annual report and financial accounts comply with the current statutory requirements, the requirements of the company's governing documents and the provisions of the Charities Commission Statement of Recommended Practice (SORP) FRS 102.

STRUCTURE AND GOVERNANCE

Organisational Structure

Kids in Kathmandu Nepal Ltd was incorporated as a company limited by guarantee on 02 February 2011 (company number 7517465) and registered as a charity with the Charity Commission on 27 May 2011 (charity number 1142150). The charity is governed by its Articles of Association. Legal responsibility for the management of the charity is vested in the Board of Trustees.

The charity has no members, other than the Trustees. It has no ties with any other organisation. The Board of Trustees makes all strategic decisions.

Mrs Janet Davies is the Chair.

Ms Lai See Chew acts as the Chief Officer of the charity and co-ordinates activities, including providing agendas and minutes of meetings, reporting to sponsors on the children they support and liaising with the orphanage and schools that we support in Nepal.

The Save Lives Foundation Orphanage is the hub of the charity's work in Kathmandu. Mrs Uma Mathema, House Mother, is our key contact in Nepal. She liaises with the schools, Paropakar Orphanage and with parents or families of sponsored children who live in their family homes. She monitors operational projects and brings to our attention any matter she considers the charity needs to know and she assists the Chief Officer to identify and prioritise potential new projects. During the year, on our behalf, she purchases authorised goods for the children or schools from our Nepal bank account. Mrs Mathema receives no salary from Kids in Kathmandu Nepal Ltd, but in October 2019, Trustees agreed to a quarterly ex-gratia payment to commence in 2020.

We do not give any money directly to the sponsored children, their families or the schools. We pay fees and pay for the goods and services directly to the providers, so we have control over how the money is spent.

Bank transfers of funds from our UK bank account to Nepal require the authorisation of the Chief Officer, the Chair or Mr Stephen Smith, after approval by Trustees. We have a dedicated bank account in Nepal, operated by Mrs Mathema, and we receive copies of the bank statements, so that we are able to monitor expenditure.

The Charity's Annual General Meeting, in accordance with the Articles of Association, was held on 31 July 2019.

Chief Officer Annual Visit to Nepal

Each September, the Chief Officer, visits Nepal, at her own expense, staying at the orphanage in Kathmandu, visiting the schools and meeting all sponsored children, to ensure that the transferred funds have been utilised as directed. She is also able to identify any matters of which the Trustees should be made aware, including new children to be sponsored or additional requirements for funding at the orphanage or schools.

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Prior to the Chief Officer's annual visit, the Trustees agree a budget for spends and projects, including a contingency, and on her return a detailed report on expenditure is provided to Trustees. Sponsored children's new clothing is purchased and distributed at the annual KIKN Open Day, held during this visit. The annual visits are usually for one month's duration.

The Chief Officer regularly updates the KIKN Facebook site whilst in Nepal, and on her return sends out a newsletter to sponsors and donors on the charity's work in Kathmandu. The main aim is to keep the on-going interest and commitment of sponsors and donors by sharing with them news and events in the children's lives. We also send out e-newsletters and provide photographic displays and videos at the Annual General Meeting.

In September, Mrs Janet Davies, Chair, and Mr John Crowe, Trustee, also visited Kathmandu and were able to visit the Saves Lives Foundation Orphanage and some of the schools' projects that we support. The Chair was also present at the Open Day.

Staff

Kids in Kathmandu Nepal charity does not employ any staff and has no premises costs. All its administrative duties and fund-raising efforts are carried out voluntarily by the Trustees and by supporters of the charity.

Recruitment and Appointment of Trustees

The Articles of Association provide that Trustees (Directors) are appointed for a period of four years, when they must retire, but can be re-appointed in accordance with the rules outlined in clause 31 of the Articles of Association. The minimum number of Trustees is three, with no maximum number stated. Trustees can be appointed at any general meeting, under the terms of the Articles of Association.

Ms Lai See Chew, Mr John Crowe and Mr Stephen Smith had all completed a four-year term as Trustees in 2019. These three resigned on 15 April 2019 and agreed to stand for a further term. They were duly re-elected as Trustees.

All current Trustees are sponsors of children supported by KIKN, or donors to the charity. We ask that all potential new Trustees attend a Board meeting and meet with the other Trustees, before consideration of appointment.

The Board of Trustees holds quarterly Trustees' meetings. The Chief Officer, Chair or other Trustees meet at least monthly, to oversee the administrative duties of the charity, to deal with financial matters and to plan activities, such as fund-raising events and publicity.

Induction and Training of Trustees: New Trustees are provided with detailed information about Trustee responsibilities, and provided with Trustee guidance material sourced from the Charity Commission. We refer to this guidance and to our Articles of Association, particularly when new Trustees are appointed.

As the charity provides for the needs of children, albeit in Nepal, we have a Child Protection (now known as Safe Guarding) Policy which is given to Trustees and all sponsors of individual children.

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OBJECTS AND ACTIVITIES

Summary of Objects

The charity's Objects are as follows:

- To relieve the poverty of orphaned and underprivileged children and young people up to the age of twenty-four (24) years in Kathmandu Nepal by the provision of clothing, equipment and other goods for daily living; and
- To advance in life and relieve the needs of orphaned and underprivileged children and young people up to the age of twenty-four (24) years in Kathmandu Nepal by providing support, facilities and activities which assist in advancing their education and developing their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

Summary of the Main Activities Undertaken in Relation to these Objects

Sponsored Children

Nepal is one of the poorest countries in the world. Not all the children we support are orphans, but those who are not orphans are from destitute families, who would be unlikely to access educational opportunities without our support, particularly the ability to attend years 11 and 12 (sixth form in Nepal), further education or university.

All children put forward for sponsorship are carefully considered by the Chief Officer and the orphanage House Mother. Only children who come from truly destitute families can be considered, as they are the ones least able to access education.

For sponsored children, the funding ensures that they have adequate summer and winter clothing, school uniforms and essential equipment for schooling, and pays for any school fees. For children who live with their families, we also provide a table and a large solar rechargeable battery lamp to enable them to do their homework in homes that do not have an electricity supply.

The majority of the sponsored children whom we support are girls. The Trustees have agreed that any further children we sponsor should preferably (but not exclusively) be female. Nepali girls from poor families are sometimes 'sold' and trafficked. They generally have less opportunity to access education. We consider that by supporting girls and young women, they will have greater opportunities to gain life skills for future employment and are less likely to be seen as a burden to their families.

We now have several sponsored children in sixth form and others who are coming up to sixth form age, many of whom hope to go on to university where tuition fees are much higher than school fees. Therefore, Trustees have agreed that when a currently sponsored young person completes their education at school or university (whichever is the highest they achieve), we will not take on a new child, but ask the child's sponsor to join together with another sponsor to co-fund sixth form or higher education for a single young person. We currently have five young people who are co-sponsored. Therefore, we will retain the same number of sponsors, even though there may be fewer sponsored children and young people.

The majority of sponsors for individual children are friends, acquaintances, or contacts of the Trustees, and others have come via fund-raising events and publicity. Sponsors agree to provide regular funding for a named child. The sponsors receive reports on their sponsored child's progress at school. In accordance with our Child Protection Policy, any communication from a sponsor to a child must be vetted by the Chief Officer.

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Institutions

In addition to our sponsored children, we also continue to provide support to the Save Lives Foundation Orphanage, the Shree Neel Barahi Higher Secondary School, Jana Sudhar Lower Secondary School, Lubhoo Secondary School and Ishwor Primary School.

We commenced supporting Saraswati Secondary School in January 2019, when we started a breakfast club.

During 2019, Trustees agreed to support funding breakfast clubs at two additional schools, Shree Buddha Secondary School and Nepal Adarsha Secondary School.

Research and experience have shown that school breakfast clubs are an incentive for destitute families to send their children to school and for the children to be able to learn better when they have eaten adequate food. Breakfast is known as 'tiffin' in the schools, and generally taken at midday.

It should be noted that although schools have 'Secondary' in their title, they generally take children from nursery school age.

Each year, the schools we support give Ms Chew a list of items that they would like KIKN to fund. The lists are usually unrealistically long for such a small charity to support. However, in 2019, Ms Chew requested that the schools' headteachers only provided a short, prioritised list. This was largely adhered to. It was interesting to see that for the majority of schools their top priority was the provision of more breakfast club places. The schools recognise the value in providing food when it encourages parents to enrol and send their children to school. KIKN recognises that funding breakfast clubs enables the access to education for socially disadvantaged children.

The schools are very appreciative of the support we have provided and each year, when the Chief Officer visits, they go to great lengths to put on wonderful welcome events to thank Kids in Kathmandu Nepal.

See Case Study on Page 29.

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MAIN ACHIEVEMENTS DURING 2019

Sponsored Children and Young People

In December 2019 the charity continued to sponsor a total of 37 children and young people. Eight sponsored children are cared for at the Save Lives Foundation Orphanage, six girls and one boy live in Paropakar Orphanages (said to be the oldest orphanages in Kathmandu). and the other children and young people live with their families and attend Shree Neel Barahi School, Jana Sudhar School, Lubhoo School, and other local schools, or are studying at universities, teacher training colleges and nursing colleges.

We have two graduates, Asmita, who completed her business studies degree in 2017, and Apsarah who completed her teacher training course in 2019. We continue to fund Sangita, who is in the final year of a Chartered Accountancy degree, and Laxmi, a severely physically disabled young woman, who commenced teacher training in October 2018.

We ceased funding the massage therapist for Laxmi in 2019, but now contribute to 50% of her wif costs, to enable her to carry out her course work.

Rajesh and Rasmila, from the Save Lives Foundation Orphanage, had expected to go to Japan to study, after completing sixth form courses. Those plans did not come to fruition, and both are now studying in Kathmandu. Rajesh has commenced a Hotel Management course and Rasmila has started a Pharmacy degree. We will be funding their Higher Education courses.

One of the young women from Paropakar Orphanage whom we sponsored, intends to study medicine, and has been awarded sponsorship for her medical school course by an American charity. Therefore, KIKN ceased sponsorship in October 2019. Another Paropakar sponsored young woman has entered a direct 3-year nursing diploma course, rather than studying in 6th form. KIKN will be funding her nursing training.

Two sixth form sponsored students, who live at the Save Lives Orphanage, volunteered for 2 months at Neel Barahi School, which is nearby to where they live. Another sponsored young person, who was living with her father, step-mother and two younger siblings in one over-crowded room, moved into the Save Lives Orphanage in 2017, and helps with chores before and after school. Living at the orphanage enables her to study more easily, but she continues to have contact with her family, who live close by.

Each year, when the Chief Officer travels to Nepal, she visits all the sponsored children and takes a personal greeting from each sponsor to their sponsored child. She returns with letters from the children to their sponsors. The children at Save Lives Orphanage have good English language skills, and they often help those children who are less able to write English to compose their sponsors' letters.

Save Lives Foundation Orphanage

Our Chief Officer stays at the Orphanage whilst visiting Kathmandu each year. All eight children in the orphanage are supported by KIKN. The orphanage is in Bafal, an impoverished area of Kathmandu.

We make a contribution to the rent and utilities for the Save Lives Foundation Orphanage. In previous years we have funded:

- the installation of solar panels, to have less reliance on the generator and its costly fuel, and;
- a water filtration system, following the 2015 earthquake, in view of the badly contaminated water supply,
- the increase of solar panels from three to five (again after the 2015 earthquake) to enable continuous use of the fridge and the water pump.
- wardrobes for the teenage orphanage girls were purchased in 2018

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We fund karate classes and maths tuition for the orphanage children.

In 2019 we purchased two bunk beds for the children, warm wool blankets for all the beds, a new microwave oven for the kitchen, and a vacuum cleaner.

During the Chief Officer's annual visit to Kathmandu, the Charity funds an Open Day at the orphanage for all sponsored children. The mothers (and occasionally fathers) of those children who live with (or have contact with) their families come together for the Open Day. In 2019, the Head Teachers and other staff from all the schools we support attended the Open Day. It was the largest and most successful Open Day to date, with some 100 attendees. Some children travelled long distances with their families to reach the orphanage for the event.

The sponsored children receive their new winter clothing (jackets, track suits, mufflers, vests, etc.) at the Open Day. The event is great fun and much food is consumed, as though they have not eaten so whole-heartedly for a long time.

In view of all the unpaid work that Uma undertakes in Kathmandu on behalf of KIKN, the Trustees agreed a small ex-gratia payment, given during the Chief Officer's annual visit, as a thank you gift for Uma Mathema. KIKN could not function without her goodwill, time and efforts in ensuring that our work is undertaken in line with good governance in Kathmandu.

Shree Neel Barahi Higher Secondary School

Shree Neel Barahi Secondary School is in Tankeshwor, near the Kalimati market in Kathmandu, a short distance from the Save Lives Orphanage, and another impoverished neighbourhood in Kathmandu where many of the families live below subsistence level.

The school takes children from nursery school age to sixth form. The school had some 700 pupils, when Kids in Kathmandu first began providing support in 2011, but the school has increased in size substantially since that time, very much in part due to the equipment and infrastructure that KIKN has funded over the years. In 2011, there were only 8 students in the sixth form, and now there are more than 254, with a total school population in excess of 1,200 pupils.

In past years, in addition to refurbishment & equipment projects, we have provided the school with:

- 35 desktop computers and computer desks, plus repair of computers in 2018
- photocopier
- solar panels.
- Set up a new Science lab
- Invertor (mini generator)
- Nepali dance costumes

We fund 50% of the salary of a computer/science teacher, to enable the school to recruit and retain a suitable candidate.

Since January 2013 we have funded a breakfast club for 100 nursery children. During 2019 we increased the funding to support an additional 50 children receiving daily breakfast.

For several years we have funded extra-curricular karate classes and traditional Nepali dancing classes at Neel Barahi School, but Trustees agreed that the funding for the dance teacher would cease in 2019, to be reinvested in other KIKN projects. With agreement of the school, we also ceased funding the health worker in April 2019, with the resources being made available to other KIKN projects.

We agreed to an increase in the funding for the karate teacher's salary. As expected, the school has managed to continue funding the Nepali dancing from its own resources.

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We bought 10 new computers and additional software for the school in 2019, to replace computers originally provided by KIKN, but no longer usable.

Eight young people from Neel Barahi School are sponsored by KIKN. Our two graduates also attended Neel Barahi School.

Jana Sudhar Secondary School

Jana Sudhar Secondary School is in Kimdole district of Kathmandu, close to the revered Swayambhu Temple (often known as the Monkey Temple, due to the large number of monkeys living in the vicinity). Kimdole is another very poor neighbourhood in Kathmandu, and we started to support the school in 2013. There are around 350 pupils from nursery to fifth form age.

Since 2013 we have funded;

- the provision of flooring, tables and cushions for the nursery classrooms
- furnishings for the school library
- setting up a new Science lab
- a music centre
- a water purification plant after the 2015 earthquake
- 20 computers and associated desks and chairs
- the installation of solar panels
- the purchase of a PA system
- the making of 8 long classroom desks and benches
- purchase of a trophy cabinet
- school exercise books
- erection of sports facilities such as outdoor table tennis table and basketball posts

We fund 50% towards the salary of a computer /science teacher's salary.

In early 2014 we commenced a breakfast club for 80 nursery class children, although the school stretched the money to feed 100 children every school day, and in 2015, after the earthquake, we increased the funding to provide breakfast for an additional 100 children. The school reported much improved attendance since the breakfast club was set up. During 2017, we increased the breakfast club funding to fully cover the full cost for 200 children per day.

However, the school now has other charities providing resources, and the school building has been extended with their support. It is common in Nepal for schools to be supported by several charities. This being the case, the Chief Officer agreed with the headteacher that in April 2019 the breakfast club funding should be reduced back to 150 pupils (from 200). The freed-up resources were used to fund the additional 50 breakfast club places at Shree Neel Barahi Secondary School.

During 2019 we provided 18 replacement sets of desks and benches for the school. Each set seats three pupils.

KIKN sponsors two children who attend Jana Sudhar School.

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Lubhoo Secondary School

KIKN has supported Lubhoo School since 2016. Lubhoo is a poor Newar village in the Lalitpur district of the Kathmandu Valley, east of Kathmandu, some 7 kilometres from the capital city (but 13 kilometres via potholed roads). It is a small school with around 450 pupils, an increase of 70 pupils in the past year.

At Lubhoo School we have previously been able to fund:

- 20 computers, desks and chairs
- Solar panels
- furnishings for the nursery classroom
- play equipment for the playground (swings, slide and two see-saws)
- two basketball poles and layout of a badminton court
- a PA system
- science lab improvements

In 2016, we commenced funding a much-needed breakfast club for 100 children at the school. The attraction of more pupils to the school is largely accredited to the introduction of the breakfast club.

In 2019, from FFK grant-funding, we were able to fund the purchase of reference library books, to assist with upgrading the school's educational status.

During 2019, from a Government grant and funding by an Austrian mountaineering charity, the school building works that had been under construction for several years were largely completed and operational. A Vocational College for Engineering opened in April 2019, and the school is continuing to recruit more pupils.

We also provided 18 sets of desks and chairs for Lubhoo School, for use in their new building. This provided desk space for 54 pupils.

We sponsor nine children who attend Lubhoo School.

Ishwor Adharbhot Primary School

Ishwor Adharbhot Primary School is a very small school in Swayambhu, nearby to Jana Sudhar School. In September 2017, when the Chief Officer was first introduced to this school, there were only 50 pupils. The school population now fluctuates from 85 to 90 pupils. The school is very poorly furnished, with no glass in the windows, and is built around a small compound serving an extremely impoverished community, where there are many beggar children. No school fees are payable.

To date we have:

- provided a computer, printer, a photocopier, table and chair for the school
- provided flooring and equipment for the beggar children's classroom
- funded electrical wiring for classroom lights and fans
- purchased exercise books

In September 2017, we started to fund a breakfast club for 50 children, and funding was increased to include all 80 pupils from January 2018.

In October 2018, we commenced funding a contribution to the nursery teacher's salary at Ishwor School, to enable the school to pay and retain a suitably qualified person. Trustees agreed to increase the salary contribution in October 2019.

Each year since 2017, KIKN has funded food for the families of the 30 beggar children, which is distributed during the Chief Officer's visit, and prior to the Dashain festival. In 2019, food was provided to the families of every child attending the school.

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In addition, two sets of school uniform, including shoes and socks, was also given to each child. The children were all measured and the uniforms procured from a local tradesperson.

Distribution of the copious amount of food was a huge operation, requiring the help of the numerous people involved with KIKN, and assisted by the headteacher and his staff. Nevertheless, probably due to the extreme poverty of the recipients, fighting almost broke out amongst some of the mothers, who were demanding more food. The headteacher managed to persuade them to leave peacefully, but it was distressing for those who witnessed the event.

At the school's request, in October 2019 KIKN purchased a supply of stationery, a drum set and a metal lockable cupboard. Trustees also agreed to fund the quarterly costs of the school's water and electricity bills.

It has been requested that a sweater and winter jacket for each child would be preferable in 2020, instead of food.

Saraswati Secondary School

Saraswati Secondary School is located in Thecho District in Lalitpur, on the outskirts of Kathmandu, some 13 kilometres from central Kathmandu, though due to poor roads, travel by car can take a considerable length of time. The school has 500 pupils.

We started supporting this school in January 2019, when we commenced funding a daily breakfast club for 100 pupils, and purchased 20 computers, funded by a grant from Futures for Kids.

We have also paid for the refurbishment of one of the classrooms.

When the school was visited in September 2019, the poverty of the majority of pupils was palpable. Many of the children had red-brown coloration on their uniforms and it was explained that the breadwinners in these families mostly work in the local brickworks.

It was pleasing to hear that the breakfast club funding for 100 children was being stretched to feed 135 children each day, helped by lower food prices in more rural areas outside the capital city centre.

The school has made good use of the 20 computers donated by KIKN. As well as teaching the pupils, a local NGO (Non-Governmental Organisation) is assisting the teachers with IT literacy.

Shree Buddha Secondary School

Shree Buddha Secondary School is located in the Godawari municipality of Lalitpur, in the Kathmandu Valley. The school is approximately 18 kilometres from central Kathmandu, and as with other areas in the Kathmandu Valley, journeys by car can be tortuous in view of poor road conditions, particularly during the monsoon season.

In July 2019, Trustees agreed to fund a breakfast club for 50 children, which commenced in September 2019. The school has 650 pupils, 35 of whom joined the school when the breakfast club was established. Shree Buddha School is stretching the breakfast club funding to feed 100 nursery children each day. The headteacher asked that KIKN assist with future additional funding for more breakfast club provision.

The school calls its nursery a 'playgroup'. There are very young children in this class, some only 18 months old, who require assistance with feeding from school teachers and helpers. Taking these young children into school enables their parents to seek casual work. We were informed that the school has a high number of orphaned children, many of whom are looked after by local NGOs.

It was observed that the three rooms where the 55 nursery children are cared for (and educated) are poorly furnished and equipped, with inadequate flooring or blankets.

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However, the school has a forward-thinking Chair of the School Board, who is committed to raising funds through his networking. Through local donations, a clean water station was built following the 2015 earthquake, and free uniforms have been procured. Some past pupils have received grants to attend university.

Nepal Adarsha Secondary School

Nepal Adarsha Secondary School is a small inner-city school, with just over 300 pupils, located not far from Durbar Square, whose historic temples were badly damaged in the 2015 earthquake.

The school is housed in two blocks. One block is a recently constructed, government-funded building, as the original was destroyed in the 2015 earthquake and the other block is an older building on the opposite side of the street. The new block houses the nursery class and younger children.

A KIKN-funded breakfast club for 50 pupils was set up in September 2019. When the school was visited in September 2019, a few weeks after the breakfast club was established, it was observed that the school did not have sufficient equipment or utensils for the adequate provision and delivery of the food. Therefore, the Trustees agreed to fund the purchase of a gas stove, cooking utensils, eating bowls and spoons.

The school's headteacher has been successful in networking with local businesses, and 20 computer tablets have been donated to the school. Thus, the school is conducting some teaching via e-classes.

Queen's Award for Voluntary Service

In October 2019, Kids in Kathmandu Nepal received notification from the Greater London Lieutenancy that the Charity had been nominated for the Queen's Award for Voluntary Service (QAVS). This prestigious award is known as the 'MBE for voluntary groups'. Nomination itself is considered to be a recognition of Kids in Kathmandu Nepal's charitable work.

The application for the Queen's Award for Voluntary Service was suggested by Mr Richard Bennett, a contact of Mr John Crowe, Trustee, who knew him from Mr Bennett's role as Chairman of Trooper Potts VC Memorial Committee, fundraising for a permanent memorial in Reading to commemorate PC Potts' First World War heroism.

Mr Bennet is a Deputy Lieutenant for Berkshire, and has been involved with the assessments of organisations who have applied for the Queen's Award for Voluntary Service. He encouraged KIKN's Chief Officer, Ms Lai See Chew, to apply for the award, and was very supportive throughout the application process. He submitted the application on KIKN's behalf. As well as the information provided about the charity, we submitted testimonials from headteachers whose schools have been recipients of projects and equipment funded by KIKN, from one of our Grant donors and from a supporter who sponsors two children and helps fund a breakfast club.

Following notification of the nomination, Ms Chew and Mr Stephen Smith undertook a large piece of work to collect and collate information for a detailed assessment of KIKN, that was carried out by a Deputy Lieutenant for the Royal Borough of Greenwich in November 2019.

The Charity will not know until May 2020 whether KIKN has been recommended for the QAVS, prior to a formal announcement in June 2020.

Futures for Kids Charity Ball 2019

In June 2019, Ms Lai See Chew, Chief Officer was honoured to be invited as a guest to the Futures for Kids' prestigious fund-raising charity ball.

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Futures for Kids (FFK) has given a generous grant to support KIKN's work every year since 2011. In return, Ms Chew and other Trustees have supported FFK's fundraising events for many years, taking part in sponsored walks and runs, and raising several thousand pounds, over the years.

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BENEFITS TO THE WIDER COMMUNITY IN KATHMANDU

Almost all the goods and services we fund in Nepal are locally sourced in Kathmandu. The children's school uniforms and other clothing are tailored or purchased in the neighbourhood. Most tables, desks, cushions or any other furniture we purchase, are made by local carpenters and craftspeople. Computers and other technical equipment are purchased locally.

The karate teachers have had a regular source of income, as has the Save Lives Foundation Orphanage maths teacher. In addition, the breakfast clubs at the seven schools we support provide employment for the cooks, and all the raw food ingredients are sourced locally.

The computer teachers at Shree Neel Barahi Secondary School and at Jana Sudhar Secondary School, and the nursery teacher at Ishwor School have secure employment due to our funding.

The Chief Officer buys craft goods whilst in Nepal to sell in the UK to raise more funds.

We are pleased to report that the funds we raise in the UK not only enriches the lives of impoverished children in Kathmandu, but also benefits the wider economy through the provision of employment for local people and by supporting local businesses.

For sponsored children and young people whom we support, their educational opportunities assist them to go onto higher education or obtain employment, so that they are better able to support their own and their extended families, in the future.

We have asked those young people whom we support and are already in further education, that when they eventually have employment (and a suitable income) to consider supporting a young person still at school, so that the circle of educational opportunity continues. Our first graduate, Asmita, who is also a local councillor, is now supporting a young girl who attends Neel Barahi School with her educational fees.

CURRENT POLITICAL AND SOCIO-ECONOMIC SITUATION IN NEPAL

Nepal is a land-locked country, with a population of some 28 million. The population of Kathmandu, the capital city is around 1.5 million, although reported figures are inconsistent. Currently, 21 per cent of the population live below the poverty line, which is calculated at living on less than 1.9 US dollars (£1.45) per day.

Nepal has been politically unstable for many years, with little investment in the country's infrastructure. However, following the adoption of the Constitution of Nepal in September 2015, the coalition government was looking to improve facilities. Since 2017, the country has been ruled by the Nepal Communist Party (NCP).

The regular load-shedding in Kathmandu (no access to electricity supplies for certain periods everyday) has largely ceased, as more sustainable power supplies have been established.

Another recent improvement is that water pipes are being laid in the Kathmandu Valley to enable everyone to have access to clean and free piped water. The majority of people in the lower socio-economic groups currently have to rely on the collection from and use of water at local wells in their vicinity for all water supplies. Only people who can afford to pay have been able to buy fresh water transported by tankers.

The government is also starting to supply computers to some schools. The indication is that, over an estimated period of 4-5 years, all schools will be resourced with computers and computer science teachers.

Prior to the adoption of the constitution, Nepal was divided into 14 administrative zones and these have now been reorganised to form 7 provinces, each with its own headquarters, chief minister and administrative staff. The Nepali press has reported that many people have expressed concern that

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

services and infrastructure will not be improved as they consider that elected officials have a tendency to misuse the revenue the government receives. There is a view that the rich get richer whilst the poor get poorer.

Although India and Nepal have an open border, political relationships are not always positive, and there are disputes over the border in at least two areas in Nepal. There is competition between China and India to develop and improve infrastructure. China is currently favoured by Nepal, as China has no border disputes with Nepal and helped Nepal during the economic blockade imposed by India in 2015.

Unfortunately, in 2019, the economy remains unstable, partly affected by regional conflict in India over territorial issues in Kashmir. During the Chief Officer's visit, the Nepalese rupee fell to its lowest level against the GB pound, and inflation was running at 30%. This meant that purchases in Kathmandu had to be made with caution, to remain within the budget approved by Trustees.

It remains to be seen whether the Nepali government will achieve its ambition to improve the lives of its citizens over the coming years.

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

FUNDRAISING

We have had a very successful fundraising year.

All the children we sponsor are funded by individual sponsors, who donate a regular monthly or annual sum of money to the charity. We have also attracted more regular donors, who donate monthly or annually, but do not sponsor a named child. The sponsors and other regular donors are the backbone of our fundraising, and we are pleased that the number has again increased during this year.

We are particularly thankful for the grant funding and support that we have received from Futures for Kids (since 2011) and from the John Horseman Trust (since 2015). In late 2019, Futures for Kids granted us £10,000, which will be used to expand breakfast clubs and purchase equipment for schools, subject to Trustees' approval. The John Horseman Trust gave us a grant of £5,000, which helps fund our breakfast clubs.

Some regular sponsors give substantial annual amounts of money to the charity. We also receive some smaller regular donations, and some sizable one-off donations, from friends and supporters of KIKN.

During 2019 the Trustees and friends have organised several fundraising events. At most of the events we have sold the Nepali goods brought back from Nepal by the Chief Officer. The key fundraising events undertaken were as follows:

- *Chinese New Year Celebration – February 2019.* The Chief Officer held a Chinese New Year food event.
- *Charity Cricket Match – June 2019.* Bromley Town Cricket Club hosted our annual charity cricket match against the Weekenders Cricket Club and we raised funds from raffle tickets, tombola, and cake sales.
- *Cake & Craft Sales – June 2019 & December 2019.* Homemade cake & Nepali craft sales were held at Lower Marsh, an NHS headquarters building in SE London.
- *Quiz Nights – April & November 2019.* We held two very successful quiz nights and raised funds from the sale of entrance tickets, raffle tickets and craft sales.

Other events where funds have been raised are:

- *Talk to Worthing Women's Institute on KIKN's work – January 2019 – Given by Chief Officer.*
- *Vitality Half Marathon, London – March 2019.* Trustee Ms Kate Pottinger took part to raise funds for KIKN.
- *Bicycle Ride from London to Paris – June 2019 – KIKN sponsor, Mr Jacek Rosieki, cycled from London to Paris to raise funds for the charity.*
- *Worthing Women's Institute – July 2019 – KIKN craft sale*
- *Donations to KIKN in lieu of birthday gifts – November 2019 – KIKN sponsor, Mrs Bridget Beilby requested donations to KIKN at a special birthday party.*

We would like to take this opportunity to give our sincere and grateful thanks to all our sponsors, friends, donors, and organisations who have contributed to our successful fund-raising activities during the year.

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FOR THE YEAR ENDED 31 DECEMBER 2019

We especially thank the following individuals and organisations who have contributed significantly to our fundraising:

- Futures for Kids Charity
- The John Horseman Trust
- Lyn & Sarah Noyes
- Bridget Beilby
- Jacek Rosieki
- Dr Eric Fellows
- Yoon Eng Pam (Malaysia)
- Lewisham Council Social Care & Health Department
- Lower Marsh NHS Staff, South London
- Bromley Town Cricket Club
- Weekenders Cricket Club
- Clarendon Hotel, Blackheath
- Pizza Express, Beckenham
- Q Bar & Kitchen, Beckenham
- Worthing Women's Institute

In view of KIKN's increasing number of projects, particularly the breakfast clubs that are reliant on on-going revenue funding, in late 2019 it was agreed that the Charity should seek more professional help to procure funding from potential grant-making bodies. The QAVS assessor who met with the Chief Officer in November 2019 suggested several fundraiser organisations that might assist with this venture.

It was decided to approach an organisation called 'Funded', which is a social enterprise that helps charities to meet their fundraising targets. Funded has a team of experienced bid writers, considered to be affordable and is transparent about fees, together with a good success rate. Two Trustees donated the majority of the initial fee to set the process in motion, and work will continue with Funded during 2020.

In October 2019, Mr Stephen Smith donated the fee to register KIKN with the Fundraising Regulator. This is the independent body set up to ensure that charities adhere to proper standards of fundraising practice. The symbol is displayed on our website, to demonstrate to our supporters that the Charity has a commitment to high standards of fundraising.

During 2019, we were no longer able to use The Big Give fundraising site for online donations, so we now use Virgin Money Giving and have a direct link on our website to enable donations.

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

PUBLICITY

Website, e-Newsletter and other Technology

Trustee Mr Stephen Smith regularly updates the KIKN website (www.kidsinkathmandu.com) which is very user-friendly, publicizes our projects in Nepal, and provides a background to the charity and our Trustees. We pay an annual fee to ensure adequate back-up and security for the website, which is hosted by GoDaddy.

During the year, we have received several unsolicited messages of praise for the quality and clarity of our website, and some of our most recent supporters have come through contact via the website. Students from a college in Qatar visited KIKN projects in Kathmandu in March 2019, having seen our work on the website. They subsequently donated to the Charity.

During the past year our Chief Officer has continued to make regular postings on our Facebook page to further publicise events and to inform all of our followers about how we are spending their sponsorship monies and donations in Kathmandu. We have found this a powerful medium, especially the ability to quickly upload photographs from Nepal with the narrative.

The website has a link to our charity fundraising web-page, and we find that we receive a regular stream of small and larger donations via that route.

We send out quarterly e-newsletters, which greatly enhances our ability to reach a wide audience and to keep our regular supporters aware of the progress of KIKN projects and of fund-raising events.

We send out hard copies of our Annual Report to our major donors and email it to other supporters, together with posting it on our website.

As a thank you, annual calendars showing photographs of our work in Kathmandu are sent to long-standing supporters, sponsors and donors.

The use of our card reader at cake and craft sales and other events greatly enhances KIKN's ability to sell goods. We have significantly increased our sales at fund-raising events, where potential buyers may not have enough cash, but have credit/debit cards available.

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

RISK MANAGEMENT & KIKN POLICIES

Trustees regularly review and update our Risk Management Plan and our policies.

In addition, Ms Marjorie Jackson, Trustee, reviews Charity Commission updates, and reports back to Trustees on any matters that are relevant to KIKN, to ensure that Trustees are aware of and act upon such matters, as appropriate.

Risk Management

The KIKN Risk Management Plan was reviewed and updates approved by Trustees in October 2019. In July 2019, Trustees agreed the procurement of Public Liability Insurance to cover all KIKN events.

Our Policies

We have the following policies, all of which are posted on our website:

Safeguarding Children Policy (October 2019). This policy supersedes the previous Child Protection Policy. The policy incorporates the latest guidance on child protection for a small charity, where the children reside in a foreign country. Any Trustee or sponsor visiting Nepal on KIKN business will be required to have an enhanced disclosure check performed by the Disclosure and Barring Service (DBS).

Privacy Information Policy – in compliance with the General Data Protection legislation (Approved April 2018, Revised June 2018).

Banking Information and Scheme of Delegation (Revised October 2019).

Reserves Policy (Revised June 2019).

Investment Policy (Reviewed and Updated October 2019).

Conflicts of Interest Policy – (Approved January 2019).

Supporter Fundraising Promise - in compliance with the code of Fundraising Practice (Approved October 2019)

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

OBJECTIVES AND PLANNED ACTIVITIES

We aim to undertake the following activities in 2020 to meet our charitable objectives:

1. *Trustees* – to identify any potential new Trustees willing to contribute to the work of the charity.
2. *Sponsors* – to maintain or increase the current number of sponsors, to enable sponsored children and young people to remain in education until at least school leaving age.
3. *Regular Donors* – to increase the number of donors, to assist with funding on-going projects.
4. *Extra-Curricular Classes* – to continue funding karate classes at Neel Barahi School and Save Lives Foundation Orphanage.
5. *On-going Support to Current Projects* – to raise sufficient funds to continue support of on-going projects (e.g. breakfast clubs for nursery children at the seven schools, plus part-funding salaries of computer teachers at Neel Barahi and Jana Sudhar Schools and the nursery teacher at Ishwor School).
6. *Continuing & New Projects* – to review ongoing projects and to prioritise any newly identified projects with regards to available funding.
7. *Higher Education* – to fund university and higher education courses for our sponsored children, as required and if affordable.
8. *Higher Education/University Funding* – to work with Uma Mathema to identify funding and/or course opportunities in Nepal for sponsored young people seeking to enter higher education.
9. *Higher Education Reserve Fund* – to continue holding some funds in reserve to assist sponsored young people with course funding.
10. *Exchange Rate* – to maintain our projects within the restraints on funds due to the fluctuations in exchange rates between GB pound and Nepalese rupee.
11. *Local Resources* – to continue sourcing goods that we purchase in Kathmandu from local suppliers and crafts people to contribute to the local economy.
12. *Futures for Kids & the John Horseman Trust* – to keep both organisations fully informed about the projects we fund from their grants.
13. *Other Grant-making Organisations* – to work with Funded to identify other funding bodies, and, as appropriate, make applications to increase the funds available for ongoing or new projects.
14. *Fundraising activities* – to organise fundraising activities to raise additional funds and to engage friends, supporters, and local communities in the work of the charity.
15. *Publicity and Technology* – to regularly update our website and Facebook page, to send out regular e-newsletters, to ensure that ongoing supporters and others are aware of fund-raising events, know how to make donations to the charity, and receive updates on our work and projects in Nepal.
16. *Policies* – to review (and update, as required) KIKN's policies and Risk Management plan. This is particularly relevant to any new guidelines issued by the Charity Commission.

The six Trustees volunteer their time, personal skills and resources to ensure that the charity continues to thrive and achieves its objectives. We aim to maintain our income streams from sponsors, other donors and fundraising events so that we can continue to meet our commitment to support the children and young people whom we sponsor. In addition, we strive to benefit the Save Lives Foundation Orphanage, Shree Neel Barahi School, Jana Sudhar School, Lubhoo School, Ishwor School, Saraswati School, Shree Buddha School and Nepal Adarsha School.

The Chief Officer will return to Nepal in September/October 2020, staying at the orphanage and undertaking business on behalf of the charity relating to the orphanage, schools and sponsored

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

children and young people. She will identify any new project requests for Trustees to consider on her return. It is expected that other Trustees will also travel to Kathmandu during 2020.

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

FINANCIAL REVIEW

Our total expenditure for the period was £69,818 and with an income of £74,251 we have net incoming resources of £4,433. Together with funds carried forward from the previous year, there is a sum of £55,772 available at year end on 31 December 2019.

This surplus includes a sum of £6,100 Gift Aid reclaimed for 2019, but not yet received, and a scheduled quarterly payment of £8,000 to Nepal due to be transferred in January 2020. Furthermore, one of our grant donations of £5,000 was deposited in the HSBC bank account on 31 December 2019, and Trustees will agree how to use this funding when they meet in January 2020.

The surplus also includes £15,364 held in our Redwood Bank 95-Day Notice account, intended for funding future university tuition fees for our sponsored young people.

A further £11,539 is held in our Bank of Kathmandu Ltd account. There are various payments for projects made into this account in October 2019 that will not be paid to the schools until January 2020. In 2019, Trustees have agreed that the Nepal account should hold a reserve of £2,000 only, but this can be difficult to control as we do not always receive timely requests for payments for on-going school projects (e.g. breakfast clubs) that we support in Kathmandu. Before quarterly payments are made from our UK account, Trustees first assess what funds are available to utilise in the Nepal account.

The Balance Sheet shows current assets as £55,772, when the Gift Aid reclaim of £6,100 due from HMRC is taken into account.

Funding for all activities is raised by donations, from friends of the charity, from fundraising events or from grants. Sponsors of individual children make payments of regular donations to support a named child.

Policy on Reserves

Trustees have agreed that the reserve should remain at £5,000 in the UK account and, from 2019, £2,000 in the Nepal account

The rationale for the UK reserves is so that if we lose any sponsors or regular donors, we have sufficient funds in reserve in the UK account to cover a shortfall. In Nepal the reserve allows for the regular fluctuation of the Nepalese rupee against the GP pound.

Funds Materially in Deficit

We have no funds in deficit.

Funds held as Custodian Trustee

We hold no funds as Custodian Trustee.

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees (Directors) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

KIDS IN KATHMANDU NEPAL LTD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in operation; and to
- appoint an Independent Examiner to examine the accounts and to provide an Independent Examiner's Report.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As a smaller company, under the terms of the Companies Act 2006, the Trustees have not required the accounts to be audited, but we are required by the Charity Commission to have the accounts independently examined.

This report was approved by the Trustees on 23 April 2020 and signed on their behalf by:



Lai See Chew

Director

KIDS IN KATHMANDU NEPAL LTD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of Financial Activities

	Notes	2019	2018
Incoming Resources		Unrestricted Funds	Unrestricted Funds
Donations and grants	2	63,721	52,599
Fund-Raising Income	3	10,530	7,420
Other income	4	0	0
Total incoming resources		74,251	60,019
Resources Expended			
Charitable activities: supporting sponsored children, an orphanage and four schools in Kathmandu	5	63,265	42,195
Ex gratia payment	6	350	400
Purchase of Nepali/Craft Goods		734	647
Fees	7	1,248	530
Governance Costs	8	392	655
Administration Costs	9	617	285
Fundraising Costs	10	3,212	2,005
Total Resources Expended		69,818	46,717
Net Incoming Resources		4,433	13,302
Other Gains and Losses		0	0
Cash at bank & in hand at start of year		51,339	43,337
TOTAL FUNDS CARRIED FORWARD		55,772	56,639

The notes found on pages 24-26 form part of this Statement of Financial Activities and the Balance Sheet on page 23.

The Independent Examiner's Report can be found on page 27.

KIDS IN KATHMANDU NEPAL LTD
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2019

Balance Sheet

		£	£
		2019	2018
Fixed Assets			
Tangible Assets		0	0
Investments		0	0
Total Fixed Assets		0	0
Current Assets			
Stock and work in progress		0	0
Debtors	11	6,100	5,300
Cash at bank and in hand at year end	12	49,195	50,642
Interest	13	477	697
Total Current Assets		55,772	56,639
Creditors: amounts due within a year		0	0
Liabilities and charges		0	0
Net Assets		55,772	56,639
Funds of the Charitable Company			
Unrestricted funds	14	48,772	51,639
Designated Reserve Fund - unrestricted		7,000	5,000
TOTAL AVAILABLE FUNDS		55,772	56,639

Audit Exemption Statement

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to smaller companies.

Directors' responsibilities:

- The Trustees have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- The Directors acknowledge their responsibility for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts,
- These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS 102 SORP.



Lai See Chew, Director

KIDS IN KATHMANDU NEPAL LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies

1.1 Basis of preparation

These accounts have been prepared on the basis of historic cost convention in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, to be used for accounts commencing on or after 01 January 2016.
- and with the Charities Act 2011.

1.2 Changes to previous accounts

None

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources
- the Trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Donations and Grants are only included in the SOFA when the charity has unconditional entitlement to the resources.

Gift Aid Tax reclaims are included to the value expected to be reclaimed from HMRC with regards to eligible donations received since registration with the Charity Commission on 27 May 2011.

The charity has no investments.

1.5 Expenditure and liabilities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries.

Fund-raising costs are those costs incurred in setting-up events to attract income.

The charity has no fixed assets.

There are no liabilities or charges due.

2. Donations and Grants

Donations and grants are from the following sources:

	£
Sponsor & Other Donations	37,166
Grants from Futures for Kids	10,000
Grants from John Horseman Trust	5,000
Gift Aid Reclaim 2018	5,455
Gift Aid Reclaim 2019 (Estimated)	6,100
Total	63,721

3. Fund-raising Income

Fund-raising income includes income from and donations towards all events held during the accounting period. It also includes the sale of Nepali goods at these events.

KIDS IN KATHMANDU NEPAL LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Other Income

No other income has been received.

5. Resources Expended on Charitable Activities

Expenditure is broken down for sponsored children, Saves Lives Foundation Orphanage and projects at seven schools

	£
Sponsored children (including school fees, educational equipment & clothing)	3,650
Tuition fees for x7 year 11 pupils	3,568
Tuition fee for x8 year 12 pupils	3,618
University fees and subsistence allowance for x4 students	2,812
Japanese course for x2 students	800
Open Days for children & families at Save Lives Foundation	580
Karate teacher at Neel Barahi School	620
Breakfast Club for 150 nursery children at Shree Neel Barahi School	5,744
Computers x10 for Neel Barahi School	2,000
Salary 0.5 computer/science teacher at Neel Barahi School	1,200
Health care assistant at Neel Barahi School (ceased April 2019)	150
Breakfast Club for 150 nursery children at Jana Sudhar School	6,720
Salary 0.5 computer/science teacher at Jana Sudhar School	1,200
Replacement classroom furniture for Jana Sudhar School	1,800
Breakfast club for 100 nursery children at Lubhoo School	3,830
Reference library for Lubhoo School	1,000
Classroom furniture for Lubhoo School	1,800
Breakfast club for 80 children at Ishwor School	3,902
Sets of uniform x2 for all Ishwor School pupils	1,350
Contribution to nursery teacher salary for Ishwor School	374
Festival food for children's families at Ishwor School	750
Annual stationery supply, drum set and metal cupboard for Ishwor School	670
Contribution to electricity bill and water at Ishwor School (started Oct 19)	90
Breakfast Club for 100 children at Saraswati School (started Jan 2019)	3,830
Classroom refurbishment at Saraswati School	2,000
Computers x20 for Saraswati School	3,214
Breakfast Club for x50 pupils at Shree Buddha School (started Sept 2019)	1,000
Breakfast Club for 50 children at Nepal Adarsha School (started Sept 2019)	1,000
Gas stove & cooking utensils and x74 bowls & spoons for Adarsha School	84
Contribution to rent & utilities at Save Lives Foundation Orphanage	2,000
Bunkbeds & wool blankets for young people at Save Lives Foundation	842
Wifi contribution for Laxmi, disabled sponsored young person at college	57
Vacuum cleaner and microwave oven for Save Lives Foundation	590
Taxi fares to visit sponsored children and projects in Nepal	340

KIDS IN KATHMANDU NEPAL LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Miscellaneous small goods for sponsored children	80
Total	63,265

6. Ex Gratia Payment

In line with the charity's Conflicts of Interest policy, we report an ex gratia payment of £350 to Uma Mathema, House Mother at Saves Lives Orphanage, without whom we would be unable to carry out our work in Kathmandu. She receives no other remuneration from Kids in Kathmandu Nepal charity.

7. Fees

Fees are for web-site hosting, bank charges for transferring monies to Nepal and Bank charges in Nepal. Fees also include filing at Companies House, Public Liability Insurance and a fundraising application.

8. Governance Costs

Governance costs include costs for the Annual General Meeting and printing the Annual Report.

9. Administration Costs

These costs include postage, printing and stationery.

10. Fundraising Costs

This includes room hire for the quiz nights, food and refreshments at fundraising events, and the purchase of Nepali craft.

11. Debtors

The sum of £6,100 is the amount the charity expects to receive from HMRC from the Gift Aid reclaim for 2019.

12. Cash at Bank and In Hand

On 31 December 2019, there was a sum of £22,770 cash in our HSBC bank account, and we have a £100 cash float. £15,000 is held in our Redwood bank account. There was also a sum of £11,424 in the Bank of Kathmandu account. The £7,000 reserve is included in these sums.

13. Interest

Interest paid on the Redwood bank account was £362 and interest on the Kathmandu Bank account was £115.

14. Unrestricted Funds

There are no restrictions on any of the expenditure of the donations and grants received, provided such expenditure complies with the Objects of the charity. The Reserve Fund of £7,000 is identified separately as an unrestricted Designated Fund.

15. Company Status and Corporation Tax

The company is limited by guarantee and does not have a share capital. The liability of the members, in the event of winding up, is limited to £10 each.

16. Corporation Tax

The Charitable Company submits a Corporation Tax return to HMRC, as and when requested. To date, as a registered charity, we have been exempted from any charges.

KIDS IN KATHMANDU NEPAL LTD
INDEPENDENT EXAMINER REPORT FOR THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Independent examiner's report to the trustees of Kids in Kathmandu Nepal Ltd

I report on the accounts of the Kids in Kathmandu Nepal Ltd (Charity no 1142150), which are set out on pages 19-23, for the period ended 31 December 2019.

Respective responsibilities of trustees and examiner

The Charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me reasonable cause to believe that, in any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or the
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102).

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Name: Tracy Richardson

Relevant professional qualification or body: ACMA (Associate Member of Chartered Institute of Management Accountants)

Address: 85 Norman Road, Leytonstone, E11 4PY

Signature:



Date: 22 April 2020

The Challenges of Education for KIKN's Sponsored Children and Young People in Kathmandu

Prior to the 1950s, education in Nepal was limited to the wealthy elite. Since then, education has gradually become more widely available. Nepal's 1971 Education Plan hastened the development of the education system in Nepal, which from primary school to university level is largely based on the Indian system, which is in turn the legacy of the old British Raj.

Different types of schools operate in Nepal. The state (public) schools are funded by the local government, and the teaching medium is Nepali. The private schools (often known as boarding schools) are wholly funded by parents, and are run as a business. Anyone with some educational background and means can open a private school, and the number of such schools have increased enormously in recent years. The teaching medium is in English.

For obvious reasons, school fees are higher in the private schools, and out of the reach of most of the population. The majority of private schools are located around Kathmandu city, where some 70% of the population attend private schools, according to the Ministry of Education. Nationally, only 15% enrol in basic education in private schools.



Outside Saraswati School in Kathmandu Valley (left)



View from Shree Buddha School playground in Kathmandu Valley (right)

Most of the schools in the rural outskirts of Kathmandu are state schools. State education is technically free for all children from primary to secondary level. However, secondary education in Nepal is neither compulsory nor free, and many parents are required to pay some school fees to cover items such as books, teaching materials and uniforms.



Shree Buddha School – breakfast club & water-logged playground during monsoon season

KIDS IN KATHMANDU NEPAL LTD

TRUSTEES' REPORT 2019

APPENDIX A – CASE STUDY

Since the 2016 Education Bill was passed, there is compulsory basic education from five years of age and lasts for 8 years, when there is a district-wide public examination, which has to be passed to enter into secondary education. The school year is from April to March. Under the new Education Act, the old 2-tier stages of secondary education have been amalgamated into years 9-12, with regional examinations (equivalent to GCSE) taken at the end of year 10, and final national examinations (equivalent to A-level) taken at the end of year 12.

School budgets are funded on the basis of x rupees per capita. The younger the children, the lower the payment. The same principle applies to the salaries of teaching staff. Any school with years 11 and 12 classes will be funded proportionately more to enable the school to re-invest in the equipment and facilities required by the A-level students. It also helps with balancing the overall school budget. Most schools admit nursery-age children, sometimes as young as 18 months of age.



18-month twins at Shree Buddha School

With a shortage of school buildings, the school hours are concentrated into two time-bands. Primary and secondary schooling starts at 10.30am until 3.30pm. A-level courses, colleges and universities start their day at 6am or earlier, finishing at 10.30am. This seems to be the pattern in Kathmandu.

Nepal Adarsha School nursery class (below)



Nepal Adarsha School – old & new blocks on opposite sides of a Kathmandu city street

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A positive is that many of the young people in higher education can work during the day to help with their college expenses. In 2019, of the 37 children KIKN sponsors, 19 young people are undertaking A-level and university courses. A large proportion of them are working part-time after college hours, to supplement their course fees, required books and living expenses.



Neel Barahi School in central Kathmandu – the first school that KIKN started to support in 2011. It is the largest school that KIKN supports

In schools where secondary education is only provided up to years 9 and 10, pupils who wish to study for A-level examinations have to change

schools. This causes great problems if the child has to travel vast distances from a rural village at 5am to reach the new school by 6am, but such school journeys are common place.

KIKN's first graduate, Asmita, lives on the outskirts of Kathmandu Valley. She attended Neel Barahi School in Kathmandu city for years 11-12, and subsequently also went to university in Kathmandu. She had to get up at 4.30am, leave home on foot at 5am in the dark, and catch two buses to reach her college by 6am. It captures the journey and defined the character of the children and young people whom KIKN sponsor.

The seven schools KIKN supports are all state schools. Whilst we do not sponsor children from all of these schools, KIKN's funding ensures that the schools' breakfast clubs encourage parents to send their young children to school. Once enrolled in school, it is more likely that they will continue in education at least during primary school years. Even though there is compulsory primary education, not all children in Nepal currently attend school.

KIKN's journey to improve the facilities and infrastructure in the seven schools we support has increased incrementally since 2011. The first thing each school has requested has been computers and upgrades of science laboratories. To date, we have purchased more than 100 computers.

Computers at Saraswati School purchased by KIKN in January 2019



KIKN currently pays for half the salary of two computer/science teachers in the first two schools we started to support, namely Neel Barahi School and Jana Sudhar School.

In the last 2 years, the public infrastructure has started to improve. The Education Department has informed the school Principals that they value the importance of computerization. The government is working towards funding computers and computer science in all the schools in the next 3-4 years, as well as providing safe drinking water for the children during the school hours.

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It will be very good news, indeed, if the government can adhere to its schedule of providing computers for all schools. KIKN can then be able cease funding for the computer/science teachers, and use the resource to increase more places for breakfast clubs in the newer schools

Of the 19 KIKN young people undertaking A-level classes and university education, there are seven who have expressed the desire to become teachers on completing their studies. The teaching profession is highly respected in Nepalese society. Unfortunately, it is not as straight forward as one would hope. In order to work in the state sector, albeit in school, hospital or any department such as the judiciary (law), a graduate has to sit for a civil entrance exam as a first step. S/he has to pass the exam to be considered employable. It takes months for the result to come through. Currently, Sangita, our first teaching graduate, is awaiting the results of this examination, and is working in a shop until she receives the results.



Sangita (left) sponsored teaching graduate, with Asmita (right) business studies graduate – KIKN's first graduates

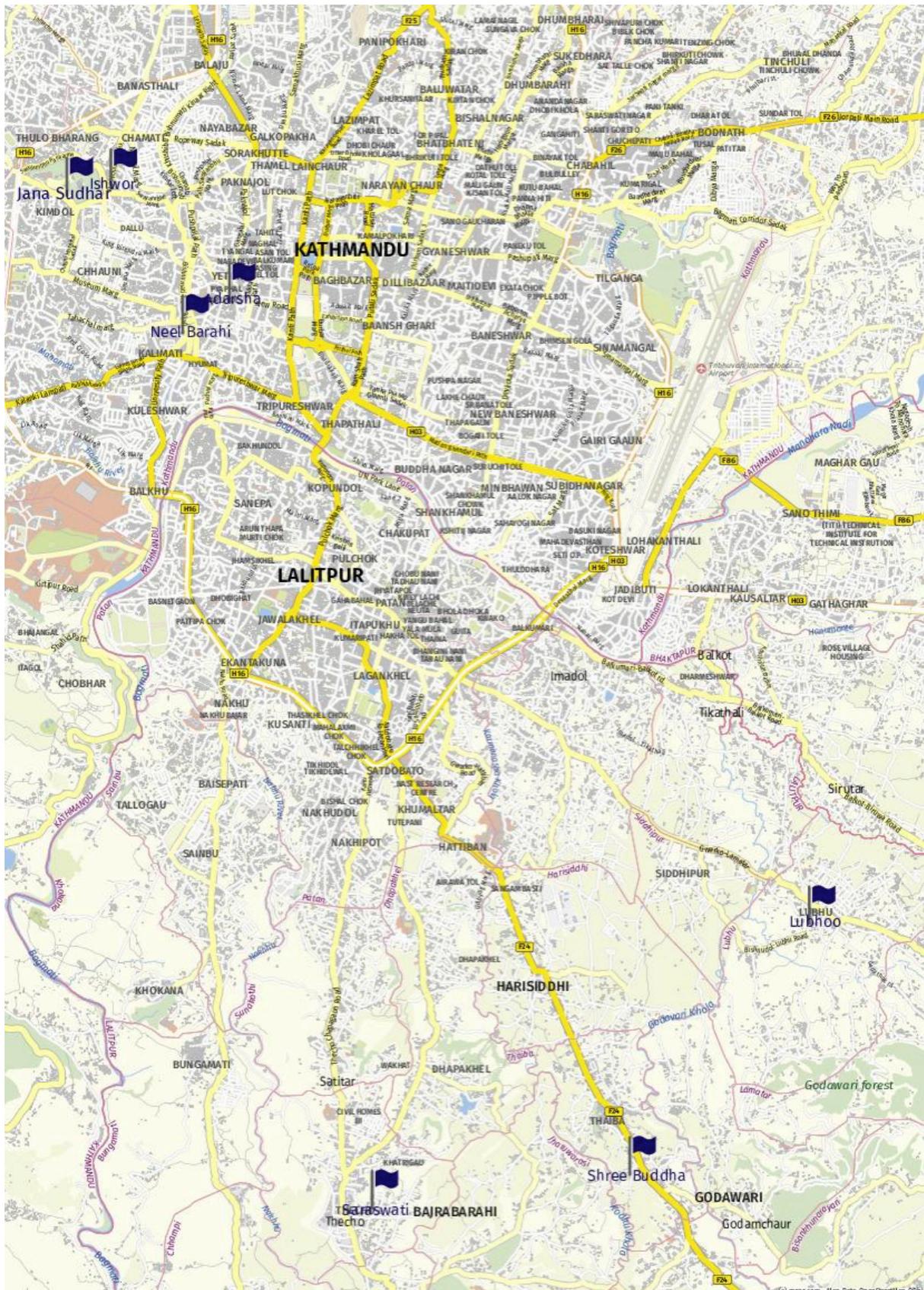
Working in a state school has many benefits. The teachers receive a pension on retirement, paid school holidays, 13 months' pay a year with sick allowance, etc. However, any graduate wishing to work in a state school must be prepared to go anywhere the government sends them, often outside Kathmandu where there is

a shortage of teachers. Working in a private school will mean no benefits whatsoever, except the benefits of a higher salary and choosing where you want to work. Consequently, there is little staff movement in state schools apart from retirement and transfer of a spouse's job. Staff vacancies are a rarity in state schools. It is reported that there is less motivation and more absenteeism of teachers in state schools. However, in KIKN's experience at all the schools we support, we have been impressed with the enthusiasm that the head teachers and their staff have shown to improve their schools infrastructure and facilities for the benefit of the children who attend, the majority from families with very limited financial means.

We wonder how our seven students wishing to become teachers will fare in a few years' time when they have completed their higher education. The education system is still evolving. We hope that the situation will have improved to enable them to make their transition into enthusiastic and committed teachers more easily than at present.

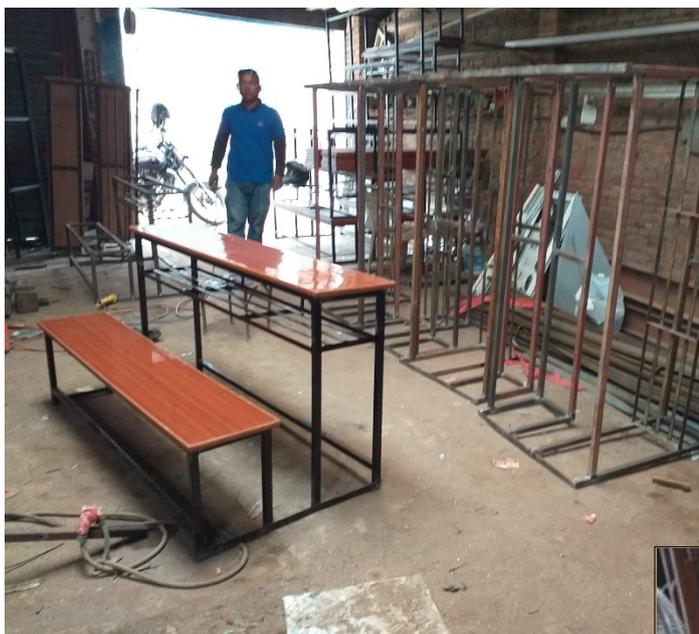
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Map of our seven schools in and around Kathmandu



Some of KIKN's Sponsored Children and School Projects

Jana Sudhar School – new classroom furniture funded by KIKN



Furniture workshop that makes desks and benches that KIKN purchases for schools

At Save Lives Foundation preparing packs of new clothes for sponsored children



KIKN sponsored pupils from Neel Barahi School at Saves Lives Foundation opening letters from their sponsors

Santos, the young man in the photograph, is one of several pupils who wish to train to be teachers

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Nepali dancing group at Neel Barahi School, originally funded by KIKN, but now continuing with school funding. KIKN sponsors some of the young people who take part



Asmita, KIKN's first graduate, with Jacinda, a pupil at Neel Barahi School. Asmita now sponsors Jacinda's education



Karate class at Save Lives Foundation, funded by KIKN



Save Lives Foundation sponsored young people with Trustees John Crowe & Lai See Chew, and House Mother, Uma Mathema, & helpers



Ishwor School Headmaster & teacher receiving supply of exercise books purchased by KIKN (left)



Uma Mathema & local grocery shop owner, packaging food parcels purchased by KIKN for all families with children attending Ishwor School (right)



Children at Ishwor School being presented with their new uniforms by KIKN Chair (left)



Nursery children at Ishwor School wearing their new uniforms (right)

KIKN Open Day at Save Lives Foundation



KIKN sponsored children from Lubhoo School serving themselves food (left) and with their headteacher (wearing pink, as do all state school female teachers) and another school teacher (below)



Sponsored KIKN children from Neel Barahi School with headteacher & other staff member (above)

Young women sponsored by KIKN from Paropakar Orphanage (right)



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Laxmi with her sister (who attends a private school).
KIKN sponsors Laxmi's teacher training education



Headteachers and other staff from schools that KIKN supports. This is the first year that KIKN has invited school staff to the open day





Parents of sponsored children and young people at KIKN open day – it's difficult to imagine how families living in such impoverished conditions are able to look so beautifully dressed – they take great pride in their appearance (as with that of their children)



Group photograph at open day, including majority of KIKN sponsored young people